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TESTIMONY OF KIM WILSON IN OPPOSITION TO SENATE BILLS 280 AND 281

My firm specializes in representing Montana consumers in court. About a year after the Great Recession, we began to get dozens, and then hundreds, of calls from Montanans who were being mistreated by large national banks as they attempted to modify loans through programs authorized by Congress during the recession. Most national banks received billions of dollars in taxpayer dollars to help distressed homeowners. Unfortunately, instead, the national banks took advantage of Montana consumers and tried to extract unnecessary fees, or actually foreclose on their property, even while the consumers were trying to make payments and remain in their homes. We litigated and won the *Morrow* case at the Montana Supreme Court. (*Morrow v. Bank of America*, 2014 MT 117)

Of the hundreds of calls we have gotten, not one has been a Montana based local bank.

SB 280 and 281 appear to be a reaction to *Morrow*, intended to limit, rather than protect, the rights of Montana homeowners.

SB 280

This should be called the Bank of America Protection Act. This bill would prevent Montana homeowners from bringing any action in tort against any bank for *lying to them* about any aspect of their loan or their obligations under the loan. It directly overturns the decision in *Morrow*, which was based on decades of Montana Supreme Court decisions. This bill will harm every day Montanans while benefiting national banks. National bank's will be able to hide behind this bill while their loan servicing agents *around the globe* serially make misrepresentations to Montana consumers as we have seen they routinely do. The Committee should reject this bill.

SB 281

This bill severely limits the types of damages that consumers can collect under the Montana Consumer Protection Act. It is contrary to Article XIII, Sec. 1 of the Montana Constitution, which requires the Legislature to protect Montanans against harmful and unfair practices of foreign corporations. The Committee should reject this bill.